

**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**MINUTES OF MEETING**  
**APRIL 10, 1997**

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, April 10, 1997. Members present were Messrs. Mark Hasten, Chairman; W. Paul Wolf, Vice Chairman; Norman L. Lowery, Ronald E. Depasse, Richard J. Rice, Gary M. Smith and Tony Zaleski. Also present from the Department were Charles W. Phillips, Director; James M. Cooper, Deputy Director, Bank Division; Chuck T. Stumpf, Deputy Director, Administrative Division; Kirk J. Schreiber, Bank Analyst; Gina R. Williams, Bank Analyst; Mark K. Powell, Supervisor, Credit Union Division; and Ronda Bailey, Administrative Secretary. Representing The State Bank of Washington was David P. Scharf, Attorney at Baker & Daniels. Representing Indiana Federal Credit Union were Ronald Collier, Executive Vice President, Michael Miller, Vice President of Operations, J. Robert Newcomb, Vice President of Business Development. Representing Indiana Telco Federal Credit Union were Gary Irvin, President and William R. Dailey, Chief Financial Officer.

**I. PUBLIC SESSION**

- A.) Attendance
- B.) Date of next meeting: May 8, 1997 at 9:00 a.m., EST.
- C.) A motion was made for approval of the minutes of the meeting held March 13, 1997 by Mr. Depasse and was seconded by Mr. Lowery. The minutes were unanimously approved, subject to the correction on the first page of the minutes. The attendance reflected Mr. Zaleski as attending the meeting and also being absent. Mr. Zaleski was not at the March 13, 1997, meeting. Correction was made and will be reflected in official minute book.

**DIVISION OF BANK AND TRUST COMPANIES**

**1) The Farmers State Bank, Lanesville, Harrison County, Indiana**

A Plan of Exchange (the "Plan") application was filed with this Department on March 6, 1997, whereby FSB Bancshares, Inc. ("FSB"), Lanesville, Indiana, an Indiana corporation organized on February 18, 1997, will serve as the holding company for The Farmers State Bank ("Farmers"), Lanesville, Indiana. FSB was organized by the management of Farmers and will be a one bank holding company having no independent business activities of its own.

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The Plan, dated February 18, 1997, provides for the exchange of one (1) share of FSB common stock for one (1) share of Farmers common stock. Farmers has 30,000 shares of common stock authorized, its only class of stock, with a par value of \$10.00 per share. At the effective time of the common stock exchange Farmers will have 24,642 shares of common stock issued and outstanding. Any shareholder of Farmers who votes in opposition to the Plan and makes written objection to it may do so pursuant to IC 28-1-7.5-8.

Farmers received a satisfactory CAMEL rating from the DFI as a result of its most recent examination dated June 30, 1995. In addition, Farmers received a satisfactory CRA and Compliance rating from the FDIC as a result of an examination dated June 1, 1995.

The respective Board of Directors of Farmers and FSB, by resolutions dated February 18, 1997, approved and adopted the Plan, and have directed that it be submitted to the respective shareholders for their consideration, approval, and adoption.

The applicant waived its option to have a public hearing on the fairness of the terms of the Plan as provided in IC 28-1-7.5-5. The Plan qualifies for exemption from registration under the Securities Act of 1933 Section 3(a)(12).

The Federal Reserve Bank of St. Louis did not object to the formation of the holding company on April 3, 1997.

Upon completing a thorough review of the Plan of Exchange, the staff concludes that the following statements are true:

- 1.) The plan of exchange, including any modifications, would not adversely affect the financial stability or management of the bank or the general capacity or intention to continue the safe and sound conduct of the bank;
- 2.) the terms and conditions of the plan of exchange are fair and reasonable to the shareholders of the bank; and
- 3.) the holding company has no plans to liquidate the bank, sell its assets or consolidate or merge it with any person, or to make any other material change in its investment policy, business, corporate structure, or management that would be unfair and unreasonable to the shareholders of the bank, and not in the public interest.

**A motion for approval of the application was made by Mr. Lowery and seconded by Mr. Rice. The application was unanimously approved.**

2) **The State Bank of Washington, Washington, Daviess County, Indiana**

Ms. Gina R. Williams, Senior Bank Analyst, presented the application. The State Bank of Washington ( SBW ) applied to the Members of the Department for approval to merge with United Federal Saving Bank of Vincennes ( UFSB ), Vincennes, Knox County, Indiana, pursuant to IC 28-1-7. SBW will survive the merger; however, the main office will be relocated to UFSB's main office in Vincennes and the name of the resulting institution will be Alliance Bank. SBW and UFSB are wholly-owned subsidiaries of National City Bancshares, Inc., Evansville, Vanderburgh County, Indiana.

On a pro forma basis as of December 31, 1996, the resulting bank will have total assets of \$142 million and a Tier 1 capital ratio of 8.33%. Following the merger, the resulting bank's investment in land and buildings will be 35.80% of sound capital. Total fixed assets will represent 15.43% of total capital.

The three-year average return on assets for SBW is 1.76% and 0.75% for UFSB. As of September 31, 1996, the return on average assets for SBW is 1.69% and 0.67% for UFSB.

Ms. Williams informed the Members that National City Bancshares, Inc. received a Satisfactory BOPEC rating at its most recent inspection which commenced on April 22, 1996. SBW and UFSB received Satisfactory ratings at their most recent Safety and Soundness examinations and CRA examinations.

Janice Beesley will become Chairman and CEO, John Clauss will become President and Chief Lending Officer, and Jeffrey Palmer will become Senior Vice President. The Board of Directors will consist of four directors from UFSB and two from SBW.

**The Department staff recommended approval of the application. A motion for approval was made by Mr. Wolf and seconded by Mr. Smith. The application was unanimously approved.**

**DIVISION OF CREDIT UNIONS**

1) **INDIANA FEDERAL CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Indiana Federal Credit Union (Indiana) has applied to the Members of the Department of Financial Institutions for approval of their proposed conversion from a federal to a state charter (the new state chartered credit union will be named Indiana Members Credit Union).

Indiana is a federal credit union, chartered, regulated, and insured by the National Credit Union Administration (NCUA). As of January 31, 1997, Indiana had total assets of \$390 million and total equity capital of \$33.1 million. The board of directors of Indiana adopted a resolution on November 26, 1996, which authorized Edward Lechner, CEO of the credit union to pursue all of the necessary regulatory approvals to accomplish a conversion from federal to state charter.

Upon conversion, Indiana will be governed by the provisions of I.C. 28 applicable to state chartered credit unions. As a state chartered credit union, Indiana will be regulated by the Department of Financial Institutions and insured by the National Credit Union Share Insurance Fund. In order to convert to a state chartered credit union, Indiana must follow the conversion statutes contained with I.C. 28 and the Federal Credit Union Act.

Mr. Powell informed the Members that an examination of Indiana as of January 31, 1997, was performed by Department staff. The following are the results of this examination:

1. Return on average assets - 1.33%
2. Three year average return on average assets - 1.36%
3. Net capital to assets - 8.66%
4. Delinquent loans to total loans - 0.12%
5. Allowance for loan loss properly funded at 0.41% of total loans
6. The investment portfolio is relatively conservative with 78% of the portfolio in various financial institution certificates of deposit with maturities of one year or less.

Overall, Indiana was considered to be fundamentally sound with adequate capital and earnings and minimal asset quality problems. As a result of the examination, Indiana was assigned a "Satisfactory" CAMEL rating.

Mr. Powell informed the Members that the most recent external review of Indiana performed by George S. Olive & Co. Certified Public Accountants revealed no significant problems.

Mr. Powell informed the Members that the NCUA conducted a full scope examination of Indiana as of December 31, 1995. As a result of this examination Indiana was assigned a "Satisfactory" CAMEL rating by NCUA.

Mr. Powell informed the Members that it was determined by the Department staff that the proposed conversion of Indiana Federal Credit Union to an Indiana state charter meets the requirements of I.C. 28-7-1-29. The Department's Report of Examination of the applicant and the investigation by the staff has concluded that the resulting Indiana state chartered credit union will be operated in a safe, sound, and prudent manner.

Based upon the aforementioned findings, the staff recommended that the proposed conversion of Indiana Federal Credit Union be approved.

After Mr. Powell's presentation, a question concerning the length of time that Indiana has retained George S. Olive & Co. Certified Public Accountants was asked by Mr. Wolf. Mr. Ron Collier (Executive Vice President of Indiana) explained that George S. Olive & Co. has been Indiana's auditor for at least ten years.

A question concerning what a CUSO is and how they are constructed and where they can be located was asked by Mr. Zaleski. Mr. Powell explained that a CUSO is a subsidiary of a credit union and that the board of the CUSO controls the conduct of the CUSO and that the CUSO does not have to be located within the building that the credit union is located in.

Mr. Phillips asked a question concerning Indiana's membership in the Federal Home Loan Bank (FHLB). Mr. Phillips wondered how common membership in the FHLB was for a credit union. Mr. Powell explained that FHLB membership was becoming more common, Mr. Rice added that approximately ten credit unions were members of the FHLB.

Mr. Smith asked if after Indiana's conversion would they still be affected by the rulings still to be made in regard to the AT&T case. Mr. Powell answered that in his opinion Indiana would no longer be controlled by the rulings in the AT&T case once they had converted to state charter.

**Mr. Rice made a motion for approval which was seconded by Mr. Lowery. The motion to approve the conversion of Indiana Federal Credit Union to Indiana state charter was unanimously approved.**

2) **INDIANA TELCO FEDERAL CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

This application was presented by Mark K. Powell, Supervisor, Credit Union Division. Indiana Telco Federal Credit Union (Telco) has applied to the Members of the Department of Financial Institutions for approval of their proposed conversion from a federal to a state charter (the new state chartered credit union will be named Indiana Telco Credit Union). Telco is a federal credit union, chartered, regulated, and insured by the National Credit Union Administration (NCUA). As of February 28, 1997, Telco had total assets of \$320 million and total equity capital of \$33.7 million. The board of directors of Telco adopted a resolution on December 19, 1996, which authorized John Jeter, CEO of the credit union to pursue all of the necessary regulatory approvals to accomplish a conversion from federal to state charter.

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Upon conversion, Telco will be governed by the provisions of I.C. 28 applicable to state chartered credit unions. As a state chartered credit union, Telco will be regulated by the

Department of Financial Institutions and insured by the National Credit Union Share Insurance Fund. In order to convert to a state chartered credit union, Telco must follow the conversion statutes contained with I.C. 28 and the Federal Credit Union Act.

Mr. Powell informed the Members that an examination of Telco as of February 28, 1997, was performed by Department staff. The following are the results of this examination:

1. Return on average assets - 1.37%
2. Three year average return on average assets - 1.64%
3. Net capital to assets - 10.73%
4. Delinquent loans to total loans - 0.50%
5. Allowance for loan loss properly funded at 0.79% of total loans
6. The investment portfolio is relatively conservative with 91% of the portfolio in various financial institution certificates of deposit with maturities of one year or less.

Overall, Telco was considered to be fundamentally sound with adequate capital and earnings and minimal asset quality problems. As a result of the examination, Indiana was assigned a "Satisfactory" CAMEL rating.

Mr. Powell informed the Members that the most recent external review of Telco performed by Crowe Chizek and Co. LLP revealed no significant problems.

Mr. Powell informed the Members that the NCUA conducted a full scope examination of Telco as of June 30, 1996. As a result of this examination Telco was assigned a "Satisfactory" CAMEL rating by NCUA.

Mr. Powell informed the Members that it was determined by the Department staff that the proposed conversion of Indiana Telco Federal Credit Union to an Indiana state charter meets the requirements of I.C. 28-7-1-29. The Department's Report of Examination of the applicant and the investigation by the staff has concluded that the resulting Indiana state chartered credit union will be operated in a safe, sound, and prudent manner.

Based upon the aforementioned findings, the staff recommended that the proposed conversion of Indiana Telco Federal Credit Union be approved.

After Mr. Powell's presentation, a question concerning the make-up of Telco's field of membership was asked by Mr. Hasten. Mr. Gary Irvin (President of Telco) explained that all Ameritech employees within the state of Indiana are eligible for membership in Telco.

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A question concerning the grandfathering of existing Telco members was asked by Mr. Wolf. Mr. Powell explained that as in previous conversions and in compliance with the

requirements of IC 28-7-1-29(I) the Department was allowing Telco to include the existing members of Indiana Telco Federal Credit Union in the field of membership of Indiana Telco Credit Union.

Mr. Wolf then asked how long Telco had retained Crowe Chizek & Co. LLP as the external auditors. Mr. Irvin replied that Crowe Chizek had been retained for approximately six years.

Continuing with his questioning Mr. Wolf asked if it was by credit union policy or by statute as to whether senior management is on the board of directors. Mr. Powell replied that it is a policy decision made by each credit union as to whether employees are allowed to occupy board positions.

**Mr. Wolf made a motion for approval which was seconded by Mr. Rice. The motion to approve the conversion of Indiana Telco Federal Credit Union to Indiana state charter was unanimously approved.**

### **DIRECTOR'S COMMENTS AND REQUESTS**

- A) **The Director advised the Members of actions pursuant to delegated authority. Mr. Phillips asked for any questions or clarifications of the actions, which are as follows:**

### **DIVISION OF BANK AND TRUST COMPANIES**

1) **PEOPLES LOAN AND TRUST COMPANY, WINCHESTER, RANDOLPH COUNTY, INDIANA**

Two applications have been received from the bank for permission to establish full service branch banking facilities. The bank has entered into a branch purchase and assumption agreement dated January 2, 1997, with NBD Bank, National Association, Indianapolis, Indiana, whereby the bank will purchase approximately \$11,188M in cash, \$68M in loans, and \$230M in fixed assets and will assume potentially \$12,589M in deposits. The bank will pay a deposit premium equal to 8.75%, or \$1,102M. The purchase and assumption agreement is for two branches located in Parker City, Randolph County, IN. No insider relationships exists between any insiders of the bank and any of the parties involved. Furniture, fixtures, and equipment costs are estimated at \$13M. The bank received a Satisfactory CAMEL rating as a result of a DFI examination as of March 31, 1996. The bank's three-year average ROA is 0.61%. As of September 30, 1996, the Tier 1 leverage capital ratio is 8.54%. The investment in total fixed assets to total capital will increase from 21.00% to 22.85% following the establishment of both branches.

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The first branch will be known as **Parker City Branch** and will be located at **123 Main Street, Parker City, Randolph County, Indiana**. The application was received on February 20, 1997. The proposed branch is a 6,300 square foot, one story building consisting

of three teller stations, six offices, a conference room and basement. The cost to the bank for the land and building is \$100M. This will be the institutions seventh branch.

**The branch banking office was approved by the Director under Delegated Authority on March 6, 1997.**

2.) **PEOPLES LOAN AND TRUST COMPANY, WINCHESTER, RANDOLPH COUNTY, INDIANA**

The second branch will be known as **Parker City Branch** and will be located at **315 W. Jackson Street, Parker City, Randolph County, Indiana**. The application was received on February 20, 1997. The proposed branch is a 510 square foot building consisting of two drive-up teller stations and one inside teller station. The cost to the bank for the land and building is \$130M. This will be the institutions eighth branch. **The branch banking office was approved by the Director under Delegated Authority on March 6, 1997.**

3.) **LAKE CITY BANK, WARSAW, KOSCIUSKO COUNTY, INDIANA**

The bank has applied for approval to establish a full service branch banking office to be located at **5015 North Main Street, Mishawaka, St. Joseph County, Indiana**. The application was received on January 14, 1997, and the branch will be known as **Mishawaka Office of Lake City Bank**. The proposed branch is a 2,958 square foot, banking building to be constructed on a 1.3 acre parcel in Mishawaka. The bank has entered into a purchase agreement for the property from Cressy and Everett Commercial Company, South Bend, Indiana for \$375M. No insider relationship exists between any insiders of the bank and any of the parties involved. The estimated cost for constructing the branch is \$350M. The estimated cost for furniture, fixtures and equipment is \$150M. The bank received a Satisfactory CAMEL rating as a result of a FDIC examination as of March 31, 1996. The bank's three-year average ROA is 1.08%. As of September 30, 1996, the Tier 1 leverage capital ratio is 6.52%. The investment in total fixed assets to total capital will increase from 34.56% to 36.49% following the establishment of the proposed branch. This will be the institution's thirty-third branch. **The branch banking office was approved by the Director under Delegated Authority on March 6, 1997.**

4.) **HERITAGE BANK OF SOUTHERN INDIANA, JEFFERSONVILLE, CLARK COUNTY, INDIANA**

The bank has applied for approval to establish a full service branch banking office to be located at **the southwest corner of the intersection of Highway 62 and Utica-Sellersburg**

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**Road, Jeffersonville, Clark County, Indiana**. The application was received on February 20, 1997, and the branch will be known as **Highway 62 Banking Center**. The proposed branch is a 2,000 square foot, banking building to be constructed on a .55 acre parcel in Jeffersonville. The bank purchased the property from John Ashburn, Jeffersonville, Indiana



for \$89M on October 24, 1996. No insider relationship exists between any insiders of the bank and any of the parties involved. The estimated cost for constructing the branch is \$250M. The estimated cost for furniture, fixtures and equipment is \$50M. The bank received a Satisfactory CAMEL rating as a result of a joint DFI and FDIC examination as of September 30, 1996. As of September 30, 1996, the Tier 1 leverage capital ratio is 15.53%. The investment in total fixed assets to total capital will increase from 6.06% to 13.31% following the establishment of the proposed branch. This will be the institution's first branch. **The branch banking office was approved by the Director under Delegated Authority on March 6, 1997.**

5.) **A.G. EDWARDS TRUST COMPANY, ST. LOUIS, ST. LOUIS COUNTY, MISSOURI**

An application from A. G. Edwards Trust Company ( A.G. Edwards ) was received by the Department on February 10, 1997, to expand the activity of a foreign corporation admitted to do business in the State of Indiana in accordance with the provisions of IC 28-1-22. The department gave authority to A.G. Edwards as a foreign corporation to transact business in the State of Indiana on January 14, 1993. The approval by the department gave authority to A.G. Edwards to accept appointments as trustee of Indiana residents as a result of referrals from brokers employed by an affiliated brokerage firm which has offices in Indiana. A.G. Edwards seeks to expand its certificate of admission by obtaining authority to act as a corporate fiduciary as defined by IC 28-1-1-3. A. G. Edwards was incorporated as a Missouri state chartered trust company on March 23, 1989. IC 28-14-3-22 authorizes this activity if there is reciprocity with the state the corporate fiduciary resides. Missouri law does grant reciprocity for Indiana corporate fiduciaries. A. G. Edwards has appointed CT Corporation System, One North Capital Avenue, Indianapolis, Indiana, as resident agent for service of legal process. **The request to expand the activity of a foreign corporation admitted to do business in Indiana was approved by the Director under Delegated Authority on March 6, 1997.**

6.) **THE FIRST-CITIZENS BANK & TRUST COMPANY, GREENCASTLE, PUTNAM COUNTY, INDIANA**

The bank has applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay a cash dividend of \$539,000 to its holding company, Old National Bancorp, Evansville, Indiana. The bank is projecting net income of \$2,155,000 for 1997. As of September 30, 1996, the bank's Tier

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I capital ratio is 9.74% and ROA is 1.14%. The bank's average three-year ROA is approximately 1.03%. **The request to pay dividends in excess of what is permitted by IC 28-13-4-3, was approved by Action Taken by the Director on March 13, 1997.**

7.) **DUBOIS COUNTY BANK, JASPER, DUBOIS COUNTY, INDIANA**

The bank has applied to the Department for approval to pay dividends in excess of what is

permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay projected cash dividends of \$2,272,000 in the first quarter, \$2,100,000 in the second quarter, \$1,600,000 in the third quarter, and \$1,000,000 in the fourth quarter to its holding company, Old National Bancorp, Evansville, Indiana. Projected dividends to be paid in 1997 total \$6,972,000. The bank is projecting net income of \$4,125,000 and an average capital to average assets ratio of 9% for 1997. As of December 31, 1996, the bank's Tier I capital ratio is 9.38% and ROA is 1.43%. The bank's average three-year ROA is approximately 1.28%. **The request to pay dividends in access of what is permitted by IC 28-13-4-3, was approved by Action Taken by the director on March 18, 1997.**

**8.) PEOPLE'S TRUST COMPANY, BROCKVILLE, FRANKLIN COUNTY, INDIANA**

The bank has applied for approval to relocate a branch banking office from **2166 Park Road, Connersville, Fayette County, Indiana** to **522 West 30th Street, Connersville, Fayette County, Indiana**. The application was received on February 24, 1997. The proposed branch will consist of 2,800 square feet located inside a Kroger Shopping Center. The location was previously used by another financial institution so no leasehold improvements are anticipated.

The bank will lease the space from Herbert Properties Limited Partnership for \$2M per month. The lease runs for five years and has two optional five year terms. Additional furniture, fixtures, and equipment will cost approximately \$10M. no insider relationship exists between any insiders of the bank and any of the parties involved. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the DEI as of September 30, 1995. The bank's three-year average ROA is 1.21%. As of September 30, 1996, the Tier I leverage capital ratio is 6.91%. The investment in total fixed assets to total capital will increase from 16.34% before the proposed relocation to 17.46% following the relocation of the branch. The bank bought out the remaining term of the lease at the current location for \$8M. The bank will continue to have sixteen branches after the relocation of the branch. **The request to establish a branch banking office was approved by the Director under Delegated Authority on March 18, 1997.**

**9.) IRWIN UNION BANK AND TRUST COMPANY, COLUMBUS, BARTHOLOMEW COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located at **11611 North Meridian Street, Suite 100, Carmel, Hamilton County, Indiana**. The application was received on March 7, 1997, and the branch is to be known as **Irwin Union Bank and Trust Company**. No insider relationship exists between any

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insiders of the bank and any of the parties involved. The space is being leased from Aetna Life Insurance Company, Columbus, Ohio, with an annual rental of \$45,442.20 increasing to \$48,622.20. The applicant will be assigned all rights and interest in and to the lease and leased premises by the present tenant. The term of the lease call for monthly rental of \$3,786.85 this year, \$3,919.35 next year and \$4,051.85 the last year of the lease. The bank will renegotiate the lease after the final year of the lease.. The estimated cost for furniture, fixtures, and equipment is \$13M and leasehold improvements are estimated at \$25M. The

bank received a satisfactory CAMEL rating as a result of an examination conducted by the FDIC as of June 30, 1996. The bank's three-year average ROA is 1.03%. As of September 30, 1996, the Tier 1 leverage capital ratio is 7.11%. The investment in total fixed assets to total capital will increase from 14.16% before the proposed branch to 14.22% after the investment in the branch. This will be the institution's fifteenth branch. **The request to establish a branch banking office was approved by the Director under Delegated Authority on March 18, 1997.**

**10.) CITIZENS BANK OF CENTRAL INDIANA, GREENWOOD, JOHNSON COUNTY, INDIANA**

The bank has applied for approval to relocate a branch banking office from **202 West Main Street, Fairland, Shelby County, Indiana**, to **10 South Franklin Street, Fairland, Shelby County, Indiana**. The name of the branch will remain the **Fairland Office**. The proposed site is a 4,778 square foot, one story brick building. It includes a total of six teller stations, four interior and two drive-thru. The current branch location has limited space, parking facilities and traffic flow, and does not have a drive-thru. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank purchased the building, lot and existing furniture from Key Corp, Cleveland, Ohio for \$166M. In addition, furniture, fixtures, and equipment costs are estimated at \$50M. The bank received a satisfactory CAMEL rating as a result of a examination conducted by the FDIC as of March 31, 1996. The bank's three-year average ROA is 0.72%. As of September 30, 1996, the bank's Tier 1 leverage capital ratio is 6.07%. The investment in total fixed assets to total capital will increase from 19.82% before the proposed relocation to 20.37% following the proposed relocation. **The request to relocate a branch banking office was approved by the Director under Delegated Authority on March 18, 1997.**

**11.) UNION TRUST BANK, UNION CITY, RANDOLPH COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located at **204 Staudt Drive, Union City, Randolph County, Indiana**. The application was received on February 21, 1997, and the branch is to be known as **Union Trust Bank**. No insider relationship exists between any insiders of the bank and any of the parties involved. The proposed branch is intended to serve the residents of the Community Investors Retirement Center and will be primarily a deposit- gathering facility. Lending services will also be made available. This proposed location will make banking services

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available to individuals who might not otherwise have the opportunity for such banking services. The bank will utilize an office in the main building of the retirement center measuring approximately 8 feet by 10 feet for a work area. The bank will not have to lease any property in conjunction with this branch. The branch will operate two days per month for two hours per day. There will be no costs associated with furniture , fixtures and equipment. n January 6, 1997. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the FDIC as of June 30, 1996. The bank's three-year average ROA is 1.21%. As of September 30, 1996, the Tier 1 leverage capital ratio is 10 .19%. The

investment in total fixed assets to total capital will remain at 15.25% before the proposed and after the investment in the branch. This will be the institution's second branch. **The branch banking office was approved by the Director under Delegated Authority on March 18, 1997.**

12.) **FIFTH THIRD BANK OF CENTRAL INDIANA, INDIANAPOLIS, MARION COUNTY, INDIANA**

The bank has asked for an extension for the establishment of its proposed branch located at **3100 Meridian Parke Drive, Greenwood, Johnson County, Indiana**. The branch is to be known as **Meridian Parke Banking Center**. The branch was approved under delegated authority on April 4, 1996. The opening was delayed due to subsequent plans to purchase branches of an existing bank which then never materialized. The bank now anticipates they will be able to occupy the location by June 30, 1997. The bank has asked for an additional one year extension until April 4, 1997. **The request for a one year extension was approved by the Director under Delegated Authority on March 18, 1997.**

13.) **FIFTH THIRD BANK OF CENTRAL INDIANA, INDIANAPOLIS, MARION COUNTY, INDIANA**

The bank has asked for an extension for the establishment of its proposed branch located at **State Road 135 and Fry Road, Greenwood, Johnson County, Indiana**. The branch is to be known as **Fry Road Banking Center**. The branch was approved under delegated authority on April 4, 1996. The opening was delayed due to subsequent plans to purchase branches of an existing bank, which then never materialized. The bank now anticipates they will be able to occupy the location by October 31, 1997. The bank has asked for an additional one year extension until April 4, 1997. **The request for a one year extension was approved by the Director under Delegated Authority on March 18, 1997.**

14.) **DEI FORM 81**

The Staff of the Department is requesting approval of a revised **DEI FORM 81** which is the application required to be filed with the Department of Financial Institutions pursuant to IC 28-12. This statute allows for the formation of a new financial institution. The effective date of the form will be March 31, 1997. **The request of the revised DFI Form 81, was approved by the Director under Delegated Authority on March 31, 1997.**

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15.) **INTERAGENCY BIOGRAPHICAL AND FINANCIAL REPORT**

The Staff of the Department is requesting approval to adopt the **Interagency Biographical and Financial Report** which is used by the Federal Deposit Insurance Corporation, Federal Reserve Board, Office of the Comptroller of the Currency, and the Office of Thrift Supervision. This report asks for financial and biographical information on individuals in conjunction with the filing of various applications. Approval of this report will eliminate the necessity to complete both the Interagency Biographical and Financial Report and the Department of Financial Institution's **Confidential** form which requests the same information.

The effective date of adopting the report will be March 31, 1997. **The request was approved by the Director under Delegated Authority on March 31, 1997.**

**16.) THE FRIENDSHIP STATE BANK, FRIENDSHIP, RIPLEY COUNTY, INDIANA**

The bank has applied for approval to establish a full service branch banking office to be located at **401 Main Street, Rising Sun, Ohio County, Indiana**. The branch will be known as the **Rising Sun Branch**. The proposed branch is a 2,000 square foot building to be constructed. The bank purchased the land from Luther Todd & John and Frances Mondary for \$226,500.00. The estimated cost to construct the building is \$400,000.00 and furniture, fixtures, and equipment costs are estimated at \$170,000.00. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank received a Satisfactory CAMEL rating as a result of a FRB examination as of September 30, 1996. The bank's three-year average ROA is 1.11%. As of September 30, 1996, the Tier 1 leverage capital ratio is 8.06%. The investment in total fixed assets to total capital will increase from 37.35% to 48.97% following the establishment of the proposed branch. Because of the significant investment in fixed assets as a result of this branch application, the board of directors of The Friendship State Bank adopted the following board resolution. Whereas, The Friendship State Bank (the Bank) has submitted to the Indiana Department of Financial Institutions (the Department) an application to establish a new full service branch in Rising Sun, Indiana (the Rising Sun Branch); Whereas, in connection with its approval of that application, the Department has requested the Bank's Board of Directors to make certain commitments concerning capital;

Therefore, the Board of Directors adopt the following resolution effective immediately:

1. The bank shall maintain a minimum Tier 1 leverage capital ratio (as defined in the Uniform Bank Performance Report guidelines) of 7.50%, which will be calculated at the end of each Call Report quarter. If at the end of any such quarter the ratio is less than 7.50%, the board of directors shall submit a written capital restoration plan which details the board's plan to achieve compliance with the minimum Tier 1 leverage capital ratio of 7.5%. The capital restoration plan must ensure that compliance is

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achieved within 180 days of the noncompliant quarter and maintained at this level until directed otherwise by the Department.

2. Subject to the approval of the Department, it is understood that if the Bank maintains an annualized return on average assets of at least 1.00% for any of four (4) consecutive quarters after the Rising Sun Branch is opened, the commitment to maintain a minimum Tier 1 leverage capital ratio shall no longer be in effect.

3. The Bank shall notify the Department of any investment in fixed assets which exceeds 1% of the monthly budgeted fixed assets in the respective month in which the investment is to occur as reported in the 1997 and 1998 budgets submitted in connection with the Rising Sun Branch application. Fixed assets is defined as premises and fixed assets (including capitalized leases) as would be reflected in the bank's quarterly regulatory Report of Condition (Call Report).
4. The following actions will be taken to comply with the limitations in IC 28-1-11-upon approval of the branch application by the Indiana Department of Financial Institutions an amount sufficient to bring the bank into compliance with IC 28-1-11-5 will be transferred from undivided profits to surplus. This will be the institution's third branch.  
**The branch banking office was approved by the Director under Delegated Authority on March 31, 1997.**

**17.) COMMUNITY BANK, NOBLESVILLE, HAMILTON COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located at **1202 North Lincoln Avenue, Alexandria, Madison County, Indiana**. The application was received on March 26, 1997, and the branch is to be known as **Lincoln Center**. No insider relationship exists between any insiders of the bank and any of the parties involved. The branch will be leased from Wilhelm Realty Company, Indianapolis, Indiana. The lease term is for ten years with two five-year renewal options and requires monthly payments of \$800. The estimated cost for furniture, fixtures, and equipment is \$127M and leasehold improvements are estimated at \$15M. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the DFI as of September 30, 1995. The bank's three-year average ROA is 1.71%. As of December 31, 1996, the Tier 1 leverage capital ratio is 9.37%. The investment in total fixed assets to total capital will increase from 13.28% before the proposed branch to 14.62% after the investment in the branch. This will be the institution's tenth branch. **The request to establish a branch banking office was approved by the Director under Delegated Authority on April 16, 1997.**

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**18.) THE HUNTINGTON STATE BANK, ALEXANDRIA, LICKING COUNTY, OHIO**

An application from The Huntington State Bank (Huntington) was received by the Department on April 4, 1997, for admission as a foreign corporation to transact business in the State of Indiana in accordance with the provisions of IC 28-1-22. Huntington was incorporated as a Ohio state chartered banking association on March 9, 1982. Huntington intends to solicit, purchase or accept loans or other banking business at its Ohio offices with residents of Indiana. The bank is filing the application as a protective measure and does not have any offices or branches in Indiana. Huntington has appointed CT Corporation, One North Capital, Indianapolis, Marion County, Indiana, as resident agent for service of legal

process. **The request for admission as a foreign corporation to transact business in the State of Indiana was approved by the Director under Delegated Authority on April 16, 1997.**

**19.) STAR FINANCIAL BANK, NEW CASTLE, NEW CASTLE, HENRY COUNTY, INDIANA**

The bank has applied for approval to relocate a branch banking office from **4009 North Wheeling Avenue, Muncie, Delaware County, Indiana** to **3300 North Everbrook Lane, Muncie, Delaware County, Indiana**. The application was received on April 11, 1997. The proposed branch is approximately 2,600 square feet. The bank plans on leasing out excess space. The building was formerly the site of a Shoney's restaurant. The bank has signed an offer to purchase the building for \$750,000 from Larry Snedeker. It is estimated that the building will require \$300,000 in repairs and alterations. The furniture, fixtures, and equipment are anticipated to cost \$200,000. No insider relationship exists between any insiders of the bank and any of the parties involved. The bank received a satisfactory CAMEL rating as a result of an examination conducted by the DFI as of June 30, 1996. The bank's three-year average ROA is 0.88%. As of December 31, 1996, the Tier I leverage capital ratio is 6.72%. The investment in total fixed assets to total capital will increase from 20.87% before the proposed relocation to 31.41% following the relocation of the branch.

The bank is planning on selling the land and building at 4009 North Wheeling Avenue so the investment in total fixed assets to total capital will decrease. The bank will continue to have six (6) branches after the relocation of the branch. **The request to relocate a branch banking office was approved by the Director under Delegated Authority on April 23, 1997.**

**20.) FARMERS & MERCHANTS BANK, LAOTTO, NOBLE COUNTY, INDIANA**

The bank has applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay a regular cash dividend of \$22,500 in December 1997. The bank should have obtained approval for a \$1,665,000 cash dividend paid March 3, 1997, and a subsequent \$50,000 cash dividend paid

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April 8, 1997. The dividends to the holding company were used to purchase 1,000 shares and 42 shares respectively of holding company stock. Although prior approval was not obtained as required by the statute, the Department does not object to the payment of the two dividends thus far in 1997. As of December 31, 1996, the bank's Tier I leverage capital ratio is 12.80% and ROA is 1.05%. The bank's average three-year ROA is 1.06%. After the payment of the two aforementioned dividends already paid in 1997, the bank's Tier 1 capital ratio is 8.71%. The bank is projecting net income of \$425,000 for 1997. **The request was approved by the Director under Delegated Authority on April 23, 1997.**

**DIVISION OF CREDIT UNIONS**

**1.) TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Operative Plasterers' & Cement Masons Local # 692 - Indianapolis - 1,400 members  
FB Distro, Inc. - Greencastle - 300 members  
PRO-10 Specialties, Inc. - Elkhart - 4 members  
Historical Homes - Niles, MI - 1 member

**The request was approved by the Director under Delegated Authority on March 11, 1997.**

**2.) TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

George S. Karas, Inc. - Merrillville - 7 members  
Armstrong's Jewelers, Inc. - Munster - 112 members  
Broadwest Surgical Center - Merrillville - 31 members  
Consumer Credit Counseling Service of Northwest Indiana, Inc.- Gary - 15 members  
Sourlis Masonry Restoration, Inc. - Highland - 23 members  
The Labor Pool - Highland - 6 members  
Lake Mortgage Co. Inc., & Briggs Insurance Agency, Inc. - Merrillville - 39 members  
Employees of Lake of the Four Seasons Property Owners Assoc., Inc. & Golf & Country Club - Crown Point - 41 members

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Midwest Fastener Corp. - South Holland, IL - 250 members  
Harbison-Walker Refractories Co. - Hammond - 84 members  
Arnell Chrysler-Plymouth-Dodge, Inc. - Chesterton - 30 members  
Classic Oldsmobile, Inc. - Merrillville - 58 members  
D.H. General Contractor - Crown Point - 4 members  
Employees of Drifting Dunes Girl Scout Council, Inc. - Valparaiso - 21 members  
Employees of Girl Scouts of the Calumet Council - Highland - 20 members  
Ashland Products - Lowell - 160 members  
Complete Builders, Inc. - Merrillville - 6 members  
Bosak Motor Sales, Inc. - Merrillville - 57 members  
L-B Residential Management Co. - Gary - 150 members  
Spangler, Jennings & Dougherty Attorneys at Law - Merrillville - 102 members



Goodman, Ball, Van Bokkelen, Leonard & Kline, P.C. - Highland - 17 members  
At Home Health International, Inc. - Oak Park, IL - 110 employees  
Rainbow Auto Painting - Crown Point - 2 members  
Dietrich Industries, Inc. - Hammond - 185 members  
Chicagoland Christian Village - Crown Point - 170 members  
Paul Heuring Motors, Inc. - Hobart - 56 members  
Bryan's Florist - Gary - 40 members  
M.V.P., Inc. - Merrillville - 20 members  
Panel Processing of Indiana, Inc. - Merrillville - 40 members  
Four Seasons Insurance - Crown Point - 4 members  
Calumet Dermatology Associates - Calumet City, IL - 15 members  
Minnotte Crown Point Corp. - Crown Point - 43 members  
Merz Machine & Tool Works, Inc. - Crown Point - 18 members  
Heliz Hydraulics, Inc. - Crown Point - 28 members  
Olsen Cadillac, Inc. - Merrillville - 26 members  
Toyota of Merrillville - Merrillville - 32 members  
Lowell Healthcare Center - Lowell - 110 members  
Hammond Fence Co., Inc. - Hammond - 10 members  
Lake County Public Library - Merrillville - 237 members  
E.T.M., Inc. - Griffith - 7 members  
Bemcor, Inc. - Hammond - 14 members  
Beatty Machine & Manufacturing Co. - Hammond - 60 members  
Custom Data Services, Inc. - Merrillville - 90 members  
Employees of the Diocese of Gary - Merrillville - 45 members  
Sices Material Products, Inc. - Gary - 15 members  
Cardiology Associates of Northern Illinois, L.L.C. - Joliet, IL - 30 members  
Dave Miller Nissan - Park Forest, IL - 39 members

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Temp/Help Staffing Services, ltd. - Joliet, IL - 200 members  
Loughran And Loughran Attorneys At Law - Joliet, IL - 5 members  
Regional Data Services, Inc. - Merrillville - 7 members  
Bowman, Heintz, Boscia & McPhee, P.C. - Merrillville - 75 members  
Colonial Nursing Home - Crown Point - 50 members  
Paul Sur Pontiac - Merrillville - 42 members  
Accounting Management - Crown Point - 3 members  
The Hamstra Group, Inc. - Wheatfield - 80 members  
Point Medical Corp. - Crown Point - 75 members  
Superior Engineering Corp. - Hammond - 130 members  
James G. Popovich, D.D.S. - Crown Point - 6 members  
West Side Health Care Center - Gary - 120 members  
Pizzeria Uno - Merrillville - 65 members

Towne Centre Retirement Community - Merrillville - 148 members  
Lincolnshire Health Care Center - Merrillville - 81 members  
Calumet Rehabilitation Services, Inc. - Crown Point - 3 members  
American States Mortgage, Inc. - Homewood, IL - 34 members  
Huber Ranch Sod Nursery, Inc. - Schneider - 8 members  
Trump Iron Works, Inc. - Crown Point - 18 members  
Pacesetter Auto Parts, Inc. - Merrillville - 9 members  
Crown Brick & Supply, Inc. - Crown Point - 15 members  
Carriage Court Pizza, Inc. - Crown Point - 15 members  
Rent Formation Realty, Inc. - Gary - 2 members  
Indiana Sugars, Inc. - Gary - 100 members  
Lambert Dental Lab - Crown Point - 6 members  
Employees of South Cook County Girl Scouts, Inc. - Homewood, IL - 25 members  
L-R Systems - New Lenox, IL - 32 members  
B&W Security Agency, Inc. - Gary - 94 members  
Westmont Steel, Inc. - Gary - 34 members  
Claretian Medical Center - Chicago, IL - 155 members  
Southlake Glass Co., Inc. - Merrillville - 27 members  
Wunderlich Doors, Inc. - Joliet, IL - 14 members  
Welded Tube Co. of America - Chicago, IL - 305 members  
Steel City Home Improvement Co., Inc. - Merrillville - 28 members  
Maruszczak Appliance Sales & Service, Inc. - Munster - 19 members  
Bert Adams Pontiac, Inc. - Joliet, IL - 38 members  
Five Star Manufacturing, Inc. - Crest Hill, Inc. - 25 members  
National Railway Equipment Co., Inc. - Dixmoor, IL - 78 members  
Restorative Health management, Inc. - Shorewood, IL - 30 members

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Entech, Inc. - Worth, IL - 5 members  
St. Anthony Medical Center, Inc. - Crown Point - 2,000 members  
Harry C. McSteen & Associates, P.C. - Joliet, IL - 5 members  
Swartz, Retson & Co., P.C. - Merrillville - 25 members  
Hurley Chicago Co., Inc. - Alsip, IL - 10 members  
George C. Rogge Agency, Inc. - Merrillville - 19 members  
Perry Maintenance and Compliance, Inc. - East Chicago - 18 members  
Calumet Construction Corp. - Hammond - 50 members  
F1, Inc. - Valparaiso - 12 members  
Robinson Steel Co. - East Chicago - 58 members  
Neo Industries (Indiana), Inc. - Portage - 45 members  
Carroll Chevrolet, Inc. - Crown Point - 51 members  
Roger's Management Systems, Inc. - Lansing, IL - 10 members  
Lazzaro Companies, Inc. - Merrillville - 50 members  
White Insurance Services - Highland - 8 members

GA Foods Group - Lowell - 450 members  
Richardson Wildlife Sanctuary - Chesterton - 2 members  
Burrell Colour, Inc. - Crown Point - 250 members  
Monroe Truck Equipment - Joliet, IL - 100 members  
Transite heating & Air Conditioning - Cedar Lake - 15 members  
Rieter Automotive - Lowell - 500 members  
Employees of the Town of Dyer - Dyer - 70 members  
One Hour MotoPhoto - South Bend - 12 members  
Steven A. Johnson & Associates - Merrillville - 11 members  
Bosak Motors of Highland, Inc. - Highland - 30 members  
Lake Point Medical Associates, P.C. - Gary - 13 members  
Fiber Optic Specialties, Inc. - Merrillville - 13 members  
Trump Indiana, Inc. - Gary - 1,300 members  
Will-Grundy Association of Realtors, Inc. - Joliet, IL - 1,000 members  
Micro Surface Corp. - Morris, IL - 10 members  
Trifab & Construction, Inc. - Hammond - 48 members  
Calumet Securities Corp. - Schererville - 67 members  
IN-PACT, Inc. - Crown Point - 156 members  
Strilich Technologies, Inc. - Crown Point - 60 members  
Pinder Industries - Munster - 20 members  
Visiting Nurse Association of Northwest Indiana - Merrillville - 145 members  
C.L. Vending, Inc. - Crown Point - 10 members  
DeMotte Carpet & Linoleum - DeMotte - 8 members  
Calumet Glass & Metal Co. - Calumet - 7 members  
Lowell Public Library - Lowell - 35 members  
Keough Mechanical Corp. - Merrillville - 10 members

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Gary Works, U.S. Steel Group, USX Corp. - Gary - 7,800 members  
Viking Engineering Co., Inc. - East Chicago - 300 members  
Havens Insurance Services - Highland - 5 members  
Gerig's Trucking & Leasing, Inc. - Fort Wayne - 20 members  
Hallmark Cabinet Co. - South Chicago Heights, IL - 38 members  
Nation Wide Security, Inc. - Lansing, IL - 100 members  
St. Matthias Church - Crown Point - 3,500 members  
US Cable of Northern Indiana - Merrillville - 136 members  
ARE, Inc./dba Wayne's Frame & Body - Gary - 16 members  
Don Bales, Inc. - Lowell - 10 members  
AutoArt Group, Inc. - Crest Hill, IL - 3 members  
R & S Distributing, Inc. - Minooka, IL - 16 members  
Weigh Right Automatic Scale Co. - Joliet, IL - 10 members

**The request was approved by the Director under Delegated Authority on March 12,**

**1997.**

**3.) TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA**

Request for approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Roll Center, Inc. - Gary - 58 members  
Wesley L. Carroll, D.D.S. - Schererville - 7 members  
Hospice of the Calumet Area, Inc. - Munster - 23 members  
Town & Country Industries, Inc.- Munster - 60 members  
Employees of the City of Crown Point - Crown Point - 105 members  
Miller Arnell C/P, Inc. - Highland - 51 members  
Modrak Operating Group d/b/a McDonald's Restaurants - Merrillville - 600 members  
Dixie Dairy Co. - Gary - 65 members  
Americlean - Griffith - 23 members  
Advanced Health Care - University Park, IL - 30 members  
Hydro Mechanics Service Corp. - Crown Point - 100 members  
Talano Enterprises - Lockport, IL - 4 members  
Schuma Construction - Joliet, IL - 1 member  
Whiteco Industries, Inc. - Merrillville - 900 members  
Stanley Smith Security, Inc. - Merrillville - 200 members  
Dawn Food Products, Inc. - Crown Point - 120 members  
PVS Technologies, Inc. - Gary - 20 members  
Roman Adhesives, Inc. - Calumet City, IL - 80 members

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Employees of Olympia Fields Country Club - Olympia Fields, IL - 180 members  
Gene's Excavating Service, Inc. - Crown Point - 4 members  
S&D Wire Co., Inc. - Lansing, IL - 15 members  
Dynex Industries, Inc. - New Lenox, IL - 15 members  
Carras-Szany & Assoc., Inc. - Schererville - 7 members  
Avery Dennison - Schererville - 250 members  
Tom Gaydos State Farm Insurance - Merrillville - 2 members  
Richardson Suzuki - Highland - 14 members  
Baxter Printing, Inc. - Highland - 7 members  
Pruzin Brothers Funeral Service - Merrillville - 10 members  
Delock's Discount Liquors - Highland - 25 members  
Mortgage Consultants, Inc. - Merrillville - 5 members  
Analytech Consulting Resources, Inc. - Merrillville - 47 members  
Schoop's Hamburgers/Whiting & St. John - Whiting - 50 members  
Hubinger Landscaping Corp. - Crown Point - 50 members

Employees of Hobart Township-Lake Ridge Community Services, Inc.  
- Lake Station - 30 members  
Grieger's Motor Sales, Inc. - Valparaiso - 75 members  
Cougar Glass & Mirror - Merrillville - 1 member  
Jenkins Security & Investigations, Inc. - Joliet, IL - 250 members  
Lake County Bar Association - Crown Point - 729 members  
Bricklayers & Allied Craftsmen Local 4 of IN & KY - Merrillville - 930 members  
Cardinal Health - Calumet City, IL - 125 members  
Anderson Pontiac, Inc. - Crown Point - 30 members  
Joseph Stalmack & Assoc. - Hammond - 9 members  
Welsh, Inc. - Merrillville - 600 members  
Rhone-Poulenc, Inc. - Hammond - 100 members  
Painters & Allied Trades Local Union #8 - Lake Station - 246 members  
Camp-Land, Inc. - Merrillville - 30 members  
Bio-Blood Components, Inc. - Gary - 17 members  
Owen Realty - Cedar Lake - 5 members  
James Miller Chevrolet - Chicago Heights, IL - 68 members  
Specialty Steel Products, Inc. - Hammond - 50 members  
MCL, Inc. - Bolingbrook, IL - 160 members  
Employees of Lutheran Retirement Village - Crown Point - 219 members  
Multi-Fastening Corp. - Griffith - 3 members

**The request was approved by the Director under Delegated Authority on March 31, 1997.**

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**DIVISION OF CONSUMER CREDIT**

- 1.) QC Financial Services, Inc. d/b/a Quik Cash #34 is requesting a check casher license. Applicant is based in Kansas City, KS. Licensee will have two locations in Indianapolis and one in Evansville. They will be cashing all types of checks. All references are in order. The fee for government and payroll will be 3%, money orders and insurance checks will be 6%, and personal checks will be 10%. They currently operate in Kansas, Mississippi, and Missouri. Applicant is taking over an existing check casher. Applicant is recommended for approval.
- 2.) Financial GAP Administrators is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Philadelphia, PA. The terms of the agreement include 1) \$395 maximum cost to the customer; 2) fully cancelable within first 60 days; 3) customer's auto insurance deductible covered up to \$1,000; and 4) refund upon prepayment by customer based on "Rule of 78ths." The form complies with all disclosure requirements under federal truth-in-lending. CIGNA Insurance has an Indiana

Department of Insurance approved contractual liability policy. The initial dealer requesting approval is Southlake NISSAN, Inc. in Merrillville, IN. All future dealers will agree to abide by the same terms as those approved. Approval is subject to review at a future date as deemed necessary by the Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202(1)(c).

- 3.) R.G.P., Inc. d/b/a A-1 Payday Loans is requesting a consumer loan license. Applicant is based in Indianapolis. They will be making payday loans. They will be servicing their loans. They currently operate in Indiana, Oklahoma, and Missouri. Applicant is recommended for approval.
- 4.) American Home Credit Corporation is requesting a consumer loan license. Applicant is based in Sherman Oaks, CA. They will be making second mortgage loans. They will not be servicing their loans. Title companies will close. They currently operate in five states. Applicant is recommended for approval.

American Mortgage Service LLC is requesting a consumer loan license. Applicant is based in one location in Indianapolis. They will be making second mortgage loans. They will not be servicing their loans. Loans will be made at the Indianapolis location. Applicant is recommended for approval. (MBT)

- 7.) Bayside First Mortgage is requesting a consumer loan license. Applicant is based in Santa Ana, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title company. They currently operate in six states. Applicant is recommended for approval.
- 8.) Belgravia Financial Services, LLC is requesting a consumer loan license. Applicant is based in Irvine, CA. They will be making loans on manufactured housing with or without real estate. They will not be servicing their loans. Loans will be closed by title companies. They currently operate in 37 states. Applicant is recommended for approval. (MBT)
- 9.) Missouri Budget, Inc. d/b/a Budget Finance is requesting a consumer loan license. Applicant is based in St. Louis, MO. Loans in Indiana will be made at two locations in Indianapolis. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval. (MBT)
- 10.) Midstate Credit Corp. d/b/a Cash Now is requesting a consumer loan license. Applicant is based in New Albany, IN. They will be making payday loans. They will be servicing their loans. They are aware of disclosure requirements for payday loans. Applicant is recommended for approval. (MBT)
- 11.) CWM Mortgage Holdings, Inc. is requesting a consumer loan license. Applicant is based in Pasadena, CA. They will be making second mortgage loans. They will be servicing their

loans. Loans will be closed through title companies. They currently operate in two states. Applicant is recommended for approval.

- 12.) Coastal Federal Mortgage Company is requesting a consumer loan license. Applicant is based in Manalapan, NJ. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed through title companies. They currently operate in twelve states. Applicant is recommended for approval.
13. T.E. Rice, Inc. d/b/a Fast Cash Pawn is requesting a consumer loan license. Applicant is based in Evansville, IN. They will be making payday loans. They will be servicing their loans. Applicant is recommended for approval.
- 14.) First Suburban Corporation is requesting a consumer loan license. Applicant is based in Santa Ana Heights, CA. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed through title companies. Applicant is recommended for approval
- 15.) Full Spectrum Lending, Inc. is requesting a consumer loan license. Applicant is based in Pasadena, CA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be made through title companies. They currently operate in 37 states. Applicant is recommended for approval.
- 16.) KD Finance Company, Inc. is requesting a consumer loan license. Applicant is based in Elkhart, IN. They will be making auto loans. Applicant is recommended for approval. The request was approved by the Director under Delegated Authority on March 31, 1997.
- 17.) Kalamazoo Mortgage Company is requesting a consumer loan license. Applicant is based in Kalamazoo, MI. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed through title companies. They currently operate in Michigan. Applicant is recommended for approval.
18. Marine Midland Corporation is requesting a consumer loan license. Applicant is based in Buffalo, NY. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed through title companies. They currently operate in eleven states. Applicant is recommended for approval. (MBT)
19. McGuire Mortgage Company is requesting a consumer loan license. Applicant is based in Prairie Village, KS. They will be making second mortgage loans. They will not be servicing their loans. Loans will be made through title companies. They currently operate in seven states. Applicant is recommended for approval. (MBT)
20. Mid American Home Equity Corp. is requesting a consumer loan license. Applicant is based in Columbus, OH. They will be making second mortgages. They will not be servicing their loans, and will use title companies to close. They currently operate in Ohio and N. Carolina. Applicant is recommended for approval. (MBT)

21. Northstar Mortgage Corporation, Inc. is requesting a consumer loan license. Applicant is based in Fort Wayne, IN. Loans in Indiana will be made at Fort Wayne (2), Marion, South Bend, and Indianapolis. They will be making second mortgages. They will not be servicing their loans. Loans will be closed through title companies. Applicant is recommended for approval. (MBT)
22. Precedent Mortgage Company is requesting a consumer loan license. Applicant is based in Indianapolis. Loans will be made in Indianapolis, Mishawaka, and Greenland (origination only). They will be making second mortgages. They will not be servicing their loans. Loans will be made through title companies. Applicant is recommended for approval. (MBT)
23. The Money Store Auto Finance, Inc. is requesting a consumer loan license. Applicant is based in Sacramento, CA. They will be making direct automobile loans (general financing). They will be servicing their loans. Method of closing is unknown at this time. They currently operate in 14 states. Applicant is recommended for approval. (MBT)
24. Traveler's Home Mortgage Services, Inc. is requesting a consumer loan license. Applicant is based in Baltimore, MD, and is a wholly owned subsidiary of Commercial Credit, LL #982. They will be making second mortgages and servicing them. Loans will be closed through title companies or Commercial Credit offices. They currently operate in eleven states. Applicant is recommended for approval. (MBT)